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May 23, 2002

Ms. Blanca S. Bayo, Director  
Division of the Commission Clerk  
and Administrative Services  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

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COMMISSION  
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Re: Undocketed  
Rule Development, 25-4.082, 25-4.110, 25-24.490, 25-24.845

Dear Ms. Bayo:

Please find enclosed the original and 15 copies of the Post-Workshop Comments of Verizon Florida Inc. for filing in the above matter. If there are any questions regarding this matter, please contact me at 813-483-2617.

Sincerely,

*Kimberly Caswell dm*

Kimberly Caswell

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**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Rule Development, 25-4.082, )  
25-4.110, 25-24.490, 25-24.845 )  
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Undocketed  
Filed: May 23, 2002

**POST-WORKSHOP COMMENTS OF VERIZON FLORIDA INC.**

Verizon Florida Inc. ("Verizon") hereby submits its post-workshop comments in the undocketed rule development proceeding on local service provider freezes ("Local PC freezes") and number portability.

**INTRODUCTION**

On May 2, 2002, Staff held an undocketed rule development workshop "to initiate the development of Rules 25-4.082, 25-4.110, 25-24.490, and 25-24.845, Florida Administrative Code, to adopt and amend provisions relating to number portability and preferred carrier freezes."

At the conclusion of the workshop Staff asked parties to comment on the following items:

1. Staff's proposed rules addressing PC freezes(proposed rule 24-4.110 (16)(c)&(d)).
2. Whether the FPSC should adopt the FCC rules administering preferred carrier freezes.
3. Porting procedures when a customer is in temporary and permanent disconnect.
4. What, if anything, should be done to address the situation when an ALEC exits the market and has PC freezes in place on customer accounts.

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## **1. Verizon's Comments on Proposed Rules**

It should be noted that the PC freeze issue was discussed in a meeting in Docket No. 011077-TP on the same day as this undocketed proceeding. In neither of these sessions did any carrier identify the ILECs' PC freeze lift processes as a competitive problem. Nevertheless, Staff asked the parties to provide comments in these two proceedings addressing the same issue.

Local PC freeze is a service that precludes changing the local service provider on an end user's line without his express permission. Commission rules require carriers to offer Local PC freezes (Rule 25-4.110(16)), but Verizon does not actively promote them. Some ALECs may advise their customers to request local PC freezes, or may even place such freezes without the customer's explicit authorization, but Verizon does not know whether these practices are current or widespread. Verizon understands, however, that the Commission has received complaints from end users that Local PC freezes have been placed on their accounts without their knowledge.

Proposed rule 25-4.110(16)(c) ostensibly responds to this concern. It states that "[c]ompanies shall not place a PC Freeze on any customer's service unless the PC Freeze is requested by the customer." Verizon would not oppose adoption of this rule, which simply clarifies what should have been obvious all along—that a carrier can't impose a freeze without the customer's authorization.

The proposed rule 25-4.110(16)(d), likewise, just confirms what carriers already know—that "[a] PC Freeze shall not prohibit a LP [local provider] from changing wholesale services when serving the same customer." To Verizon's knowledge, all parties agree with this principle and no one has claimed that existing PC freeze

processes prevent providers from changing a customer's wholesale services—for example, from resale to the UNE platform (UNE-P). The rule, as written, thus seems unobjectionable.

However, to the extent that Staff intends the rule to be administered in a way that would require changes to ILECs' PC freeze lift processes, then Verizon does oppose it. At the workshop, there was discussion about some ILECs' processes that require two steps before a customer can be converted from resale to UNE-P—one for the customer to remove the freeze and one to convert the service platform. Staff appears to believe that this two-step process may inhibit competition.

To the extent Staff contemplates introducing a rule requiring the ILECs to change their PC freeze removal processes, there must be competent, substantial evidence supporting such a rule, and the rule must not be arbitrary and capricious (Fl. Stat. ch. 120.52(8)(e)&(f.)). In addition, the agency must choose the alternative that does not impose regulatory costs “which could be reduced by the adoption of less costly alternatives that substantially accomplish the statutory objectives” the rule is designed to satisfy. (Fl. Stat. ch. 120.54(1)(d)).

These requirements cannot be satisfied if the proposed rule contemplates system retrofits because there is no evidence supporting Staff's apparent concern that existing local PC freeze processes pose a competitive problem. When Staff asked this specific question during the meeting on May 2 in Docket No. 011077-TP, no carrier identified such a problem with the local PC freeze process. Indeed, Verizon believes the Commission's PC freezes have satisfied the Commission's objective of reducing slamming, precisely because they cannot be easily removed.

While Verizon opposes any *mandate* that would require ILECs to modify their conversion process, they may, of course, voluntarily do so. In this regard, Verizon already has a one-step process for converting a customer with a freeze from resale to the UNE-P. That is, if an ALEC wishes to migrate a customer with a PC freeze from one type of service to another, the ALEC need only submit one local service request (“LSR”) to make the service change and lift and re-apply the PC freeze. This process can be viewed on Verizon’s CLEC Guidelines Web page ([http://128.11.40.241/clec\\_guide/ordering\\_order\\_form\\_completion.htm](http://128.11.40.241/clec_guide/ordering_order_form_completion.htm)).

**2. Should the FPSC Adopt the FCC Rules Administering Preferred Carrier Freezes in Florida (47 CFR 64.1190)?**

Verizon believes that it is unnecessary to adopt the FCC’s rules administering PC freezes, as the FPSC’s rules are clear and simple regarding PC freezes. 25-4.110 (16)(a) requires companies that bill for local service to notify customers with their first bill and annually thereafter that a PC Freeze is available. Verizon believes this rule has been effective in meeting the Commission’s objective of reducing slamming, so there is no demonstrated need for different or additional rules.

**3. Address porting procedures when customer is in temporary and permanent disconnect.**


Verizon’s general policy for number aging is 90 days for residential customers and 365 days for business customers. These policies conform to the industry standard and are recognized by the FCC. However, these intervals can be shortened if Verizon lacks sufficient numbering resources to meet customer demand. Additionally, Verizon’s

current wholesale procedures do allow a customer to port their number to an ALEC, even if temporarily disconnected, until the account reaches permanent disconnect status. Once permanently disconnected, the number is placed in aging and is no longer available for porting.

**4. Address the Situation When ALEC Exits the Market and has PC Freezes in Place on Customer Accounts.**

Verizon is still in the process of gathering information that may be useful in designing guidelines to address this situation, and will make specific suggestions on this issue later. In any case, Verizon believes this issue has already been raised in the ongoing industry collaborative process. It should continue to be addressed there, rather than duplicating effort here.

Respectfully submitted on May 23, 2002.

By:   
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